



Work Plan & Budget 2027/28

CONSULTATION DOCUMENT

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ABOUT THE WORK PLAN CONSULTATION

The Regulatory Authority of Bermuda (RA) invites feedback on its proposed 2027/28 Work Plan and Budget, which has been developed in accordance with Section 43(2) of the Regulatory Authority Act 2011. This consultation is an integral part of the RA's values of transparency and accountability, ensuring that the priorities and resources outlined for the period from April 1, 2027, to March 31, 2028, reflect both the needs of Bermuda's regulated sectors and the community's interests.

Through this process, the RA aims to clarify its strategic direction for the year ahead while welcoming the views of stakeholders and the public on how best to achieve its mandate.

The deadline for feedback is **30 November 2026**. Feedback may be submitted on our website's consultation page or emailed directly to consultation@ra.bm.

LETTER FROM THE CHIEF EXECUTIVE

As the Regulatory Authority of Bermuda (RA) looks towards the 2027/28 financial year, our focus remains on strengthening the regulatory foundations that support Bermuda's long-term economic stability, essential services and continued development. The year ahead represents an important period of progression for the organisation as we build on work undertaken across our regulated sectors, advance key regulatory initiatives and prepare for an evolving legislative and policy environment.

The past year has brought both progress and challenges. Across electricity, electronic communications, fuels and submarine communications cables, the RA has continued to discharge its statutory responsibilities while navigating complex technical requirements, competing priorities and financial constraints. Not every initiative has progressed at the pace originally anticipated. Nevertheless, the RA has maintained its focus on the work required by law, advancing regulatory reviews, developing frameworks and undertaking the analysis necessary to support informed decision-making. This experience reinforces the importance of realistic planning, sustainable funding and the internal capacity required to deliver increasingly complex regulatory work.

Our responsibilities extend beyond the administration of licences and the oversight of service providers. The RA must make informed, evidence-based decisions that balance the residential interest with the need for reliable infrastructure, fair pricing, investment, innovation and well-functioning markets. These considerations are interdependent. Effective regulation must provide appropriate protections for the public while maintaining the regulatory certainty required to support investment and economic activity.

Looking ahead, the RA will continue to advance its work across the regulated sectors while monitoring developments that may affect its mandate, including the Government's ongoing consideration of competition law and consumer affairs. This includes the pilot, announced in the Government's 2026/27 Budget Statement, to transfer consumer protection functions. The RA will continue to work with the Ministry of Home Affairs on the design and implementation of the pilot. As these discussions progress, the RA will assess their potential implications for its functions, operating model and resource requirements, while continuing to fulfil its existing statutory obligations. Should new responsibilities be conferred on the RA during the financial year, the RA would expect the associated costs to be met through a separate funding arrangement agreed with Government, rather than through the sectoral fees set out in this Work Plan.

The 2027/28 Work Plan and Budget reflect this forward-looking approach. It is intended to support the transition from establishing regulatory frameworks to implementing, monitoring and refining them, while strengthening the organisation's ability to retain expertise and deliver its responsibilities sustainably. Our objective is not simply to undertake more work, but to build the capacity, systems and institutional knowledge necessary to deliver better-informed regulatory outcomes for Bermuda as a whole.



A stylized, handwritten signature in black ink, appearing to read 'Richard Ambrosio'.

RICHARD AMBROSIO

Chief Executive
Regulatory Authority of Bermuda

OUR COMMITMENTS

Championing Fair Competition: We ensure consumers have access to a wide range of choices and quality services.

Protecting Consumer Rights: We ensure service providers deliver on their promises and contractual agreements within specified timelines.

Promoting Economic Development and Investment: We encourage new business and investment to the island and promoting ownership by Bermudian individuals and businesses.

Encouraging Innovation: We help foster the development and implementation of new technologies and approaches that can benefit consumers and the overall economy.

WHO WE ARE

The Regulatory Authority of Bermuda (RA) plays a central role in shaping the island's future by ensuring that critical sectors operate fairly, transparently, and in the best interest of the public. The RA's mandate spans electricity, fuels, electronic communications, and submarine cables. Across these sectors, the RA balances consumer protection with the need to create an environment where industry can innovate, invest, and deliver long-term value for Bermuda.

The RA's work is not only about oversight, but also enabling progress, protecting the interests of the community, and holding regulated entities to the highest standards. Every initiative is designed to strengthen Bermuda's infrastructure, secure its energy future, enable competition, and reinforce public trust.

WHAT WE DO

As an independent regulator established by law, the RA operates with a long-term view of Bermuda's needs. Independence is essential to its role, ensuring that decisions are guided by evidence, expertise, and fairness rather than short-term pressures. In this way, the RA serves as a cornerstone of stability, supporting the sustainable development of Bermuda's economy while ensuring decisions made are in the interests of the community.

This upcoming year the RA is aligning its resources to demonstrate value in a way that is accessible to all, balancing the complexity of regulation with the need for accountability. The projects and priorities outlined in this Work Plan have been chosen to ensure that Bermuda's regulated sectors remain robust, forward-looking, and able to serve both industry and consumers with fairness and resilience.

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The RA plays a central role in shaping the island's future by ensuring that critical sectors operate fairly, transparently, and in the best interest of the public.



STRATEGIC PRIORITIES

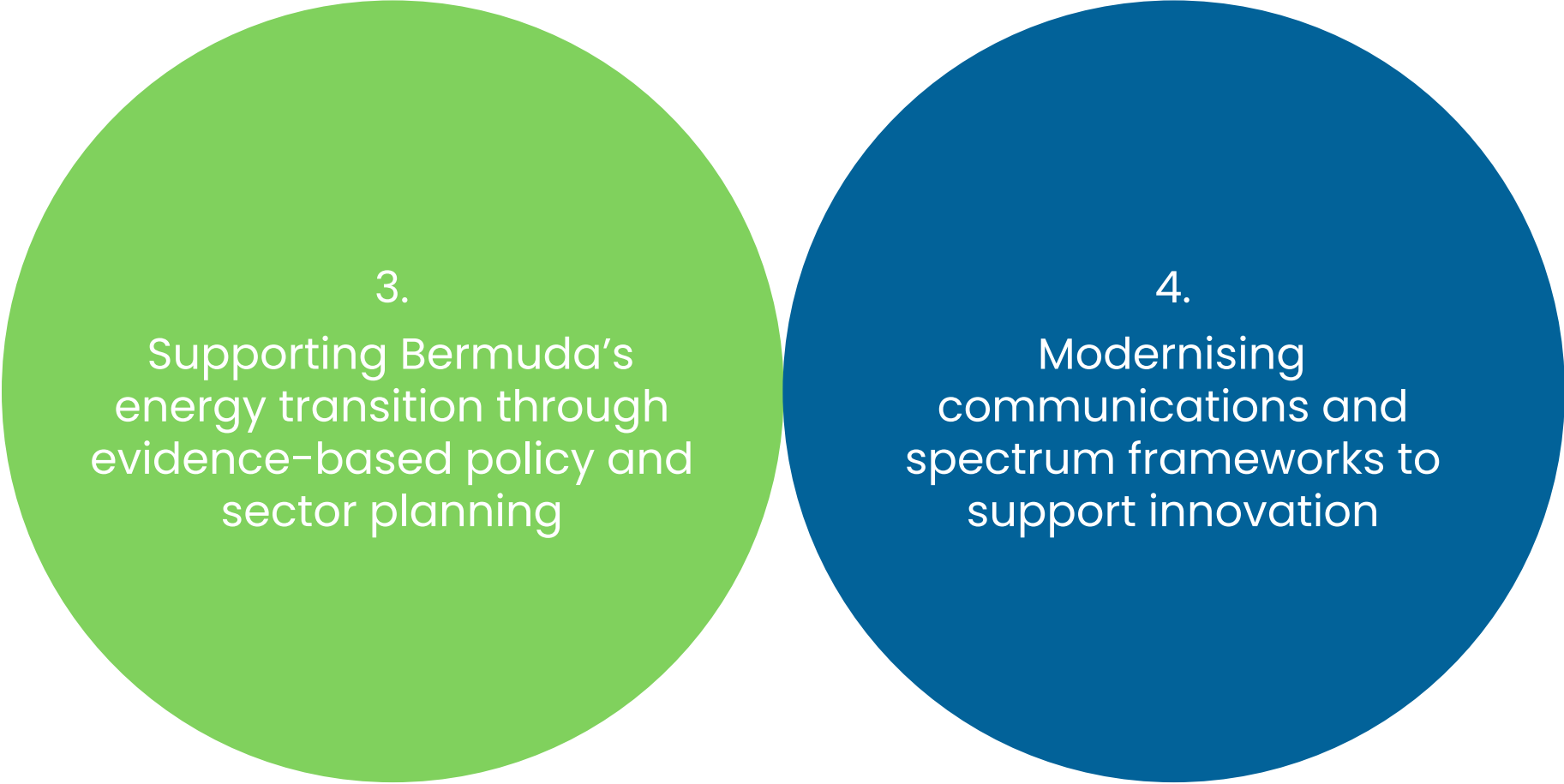
The RA's work for the upcoming fiscal year focuses on four central themes:

1.

Strengthening regulatory
capacity and expertise

2.

Enhancing consumer
rights, transparency, and
market accountability



3.

Supporting Bermuda's
energy transition through
evidence-based policy and
sector planning

4.

Modernising
communications and
spectrum frameworks to
support innovation

INTRODUCTION

The Regulatory Authority of Bermuda (RA) plays an essential role in maintaining the integrity, reliability and development of the sectors that underpin Bermuda's economy and everyday life. Established under the Regulatory Authority Act 2011, the RA operates within a statutory framework that assigns responsibility for regulating electronic communications, electricity, fuels, and submarine communications cables. Its work supports the effective operation of these markets, the protection of the residential interest, and the infrastructure and investment required for Bermuda's continued economic development.

The RA's mandate requires more than responding to immediate issues. It involves developing regulatory frameworks, assessing complex technical and financial submissions, monitoring market behaviour, conducting consultations, evaluating investment proposals and making determinations that can have long-term consequences for service quality, pricing and infrastructure resilience. Much of this work is interdependent. A tariff decision, for example, may rely on extensive financial analysis, engineering evidence, stakeholder submissions and the ability to withstand legal scrutiny. Similarly, the introduction of regulation in a newly established sector requires the development of pricing methodologies, licensing arrangements, reporting obligations and the internal expertise necessary to administer them effectively.

The 2027/28 Work Plan and Budget have been developed against this background, recognising both the progress achieved and the work that remains necessary. During the preceding financial year, the RA continued to advance key regulatory initiatives despite operating within financial constraints and without the

benefit of timely budget approval across the previous three years. These circumstances required careful prioritisation, adjustments to project sequencing and a continued focus on statutory obligations. While some initiatives have progressed to subsequent phases, others have been deferred as resources were directed towards time-sensitive regulatory work, litigation, and essential operational responsibilities.

These experiences have informed the approach taken to the forthcoming year. The RA must balance the need to deliver its existing operations and projects with the responsibility to prepare for emerging regulatory requirements. This includes completing foundational work in the fuels sector, progressing electricity market reforms, strengthening oversight of electronic communications and supporting the development of Bermuda's international digital connectivity. Each area requires a different combination of technical expertise, consultation, analysis and operational support. Still, all contribute to the same objective: a regulatory environment that supports Bermuda's long-term interests.

The budget is therefore not simply an allocation of expenditure against individual projects. It represents the resources required to discharge statutory responsibilities, maintain appropriate regulatory oversight and develop the institutional capability needed to respond to changing sectoral conditions. Where projects have been deferred or remain dependent on funding, legislative developments, or external decisions, the Work Plan seeks to clarify those dependencies and provide a realistic basis for sequencing future work.

As the RA moves into the 2027/28 financial year, the emphasis is on strengthening delivery, embedding knowledge and improving operational resilience. The ability to retain expertise internally, apply consistent regulatory processes and undertake increasingly complex work with greater institutional maturity will be important to the RA's long-term sustainability. Appropriate resourcing supports these objectives while enabling the RA to maintain the independence, technical rigour and accountability expected of an effective regulator.



ELECTRICITY

Bermuda's electricity sector is entering a period of significant change. The need to maintain reliable supply, manage electricity costs, modernise regulatory frameworks, and evaluate new generation technologies requires a coordinated approach to planning and oversight. The RA's work in this sector is directed towards ensuring that regulatory decisions are supported by sound technical and economic analysis, that investment proposals are assessed against Bermuda's long-term interests, and that changes to the energy system are introduced in a manner that protects reliability while allowing for innovation.

The 2027/28 Work Plan builds on the foundation established through previous tariff reviews, resource planning exercises and renewable energy initiatives. It also reflects the interdependent nature of electricity regulation. Decisions concerning generation investment, retail tariffs, grid access and emerging technologies cannot be considered in isolation. Each has implications for system costs, reliability, investment incentives and the eventual rates.

INTEGRATED RESOURCE PLANNING

The RA will advance integrated resource planning in alignment with the National Electricity Sector Policy, working with Government and engaging stakeholders across the electricity sector. This work provides the planning basis for generation procurement, tariff reviews and the assessment of new technologies.

2028–2030 RETAIL TARIFF REVIEW

The retail tariff review is a central component of the RA's electricity regulatory responsibilities. It examines the utility's

revenue requirements and the costs associated with providing electricity, providing the evidentiary basis for decisions on rates and supporting the alignment of approved revenues with efficiently incurred costs. The 2028–2030 review will build on the work undertaken in previous review periods, incorporating updated financial information, operational forecasts and relevant economic considerations.

Comprehensive tariff reviews are resource-intensive, requiring detailed examination of financial submissions, technical assumptions and supporting evidence. However, these have proven beneficial to consumers, saving over \$80 million since 2022. The work is important not only in determining appropriate rates, but also in providing a defensible basis for regulatory decisions and reducing the risk of unsupported costs being passed through to electricity customers. The proposed expenditure will support cost-reflective pricing, appropriate scrutiny of utility expenditure and greater predictability across the review period.

ELECTRICITY SECTORAL REVIEW

The Electricity Sectoral Review, mandated by legislation, will provide an opportunity to assess the broader regulatory and operational environment in which Bermuda's electricity sector operates. It will consider developments in the sector, the effectiveness of existing regulatory arrangements and areas where further work may be required to support reliability, investment and the cost-efficient operation of the market.

The review will also help place individual projects within a broader regulatory context, allowing the RA to assess how tariff reform,

ELECTRICITY

generation planning, grid requirements and emerging technologies interact. This wider perspective is important as Bermuda considers the future composition of its electricity supply and the regulatory arrangements required to support that transition.

LNG AND METHANE REVIEW

The LNG and methane review will examine the regulatory considerations associated with liquefied natural gas and methane-related developments within Bermuda's energy landscape. The work will support an informed assessment of the potential implications for energy security, infrastructure, environmental considerations, consumer costs, and long-term system planning.

As energy systems evolve internationally, regulators must understand the technical, commercial and operational implications of different supply options without presuming that any single technology represents the appropriate solution for Bermuda. This review will contribute to that evidence base, supporting decisions that are responsive to local requirements and the wider transition taking place across the energy sector.

RATE REDESIGN: PHASE 2

The second phase of the Retail Tariff Redesign will build on the work undertaken to examine the structure of electricity tariffs and the allocation of charges across different customer groups and usage patterns. The objective is to improve further the alignment among tariff structures, the underlying costs of providing electricity, and the incentives created for customers and the utility.

Tariff design has implications beyond the headline rate. The structure of charges can influence consumption patterns, investment decisions and the distribution of costs across customers. Phase 2 will continue this work through even greater analysis, informed by industry and regulatory considerations, recognising the need to balance cost-reflectivity, operational practicality and the interests of residential customers and other sector participants.

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**Tariff
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ELECTRICITY

FLOATING SOLAR PROCUREMENT

The floating solar procurement initiative assesses the potential for utility-scale floating photovoltaic generation in Bermuda. Following the earlier expression-of-interest stage, further work will consider technical feasibility, commercial arrangements, system compatibility and the practical requirements associated with deployment.

The initiative forms part of the broader effort to assess opportunities for renewable generation while maintaining system reliability. Progressing from initial market interest to a more detailed assessment is necessary to determine whether proposed technologies can be integrated effectively into Bermuda's electricity system and what regulatory considerations would arise from their implementation.

REGULATORY IMPACT ASSESSMENT

The Regulatory Impact Assessment will strengthen the evidence available to support the development and review of regulatory measures. By examining the potential effects of proposed interventions, including their costs, benefits, implementation requirements and implications for affected parties, the work will support more structured and proportionate regulatory decision-making.

This approach is particularly important in a small market such as Bermuda, where regulatory decisions can have material consequences for service providers, investment and the wider economy. A structured assessment process can help identify

unintended consequences, clarify policy trade-offs and provide a more consistent basis for evaluating regulatory options.

ELECTRIC VEHICLE (EV) CHARGING FRAMEWORK

Due to budget constraints, this project has been inactive and has been pushed again to the upcoming fiscal year. The Electric Vehicle Charging Framework will address regulatory considerations for the development and operation of electric vehicle charging infrastructure. The work is intended to clarify the requirements that may apply to charging services, including relevant licensing, technical, commercial and grid-related considerations.

As Bermuda's transport and energy policies continue to evolve, a clear regulatory approach is needed to identify the conditions necessary for investment while supporting the reliable integration of charging infrastructure into the electricity system. The framework will provide a basis for assessing how regulatory arrangements may need to respond to changes in demand and technology.

INNOVATIVE LICENCE FRAMEWORK

Building on the extensive groundwork already completed by the RA, the Innovative Licence Framework provides a pathway for emerging technologies and business models within the electricity sector to be considered under appropriate regulatory arrangements. The framework is sufficiently established to accept applications, providing prospective participants with a route to submit innovative proposals for consideration.

ELECTRICITY

The remaining work involves developing the assessment criteria, which the RA intends to refine in tandem with its consideration of a future application, so that the evaluation approach reflects the specific proposal while maintaining regulatory rigour, system integrity and the interests of affected parties. Progress has taken longer than anticipated as the RA has prioritised its statutory obligations within existing resource and budgetary constraints.

Collectively, these initiatives reflect the need for an electricity regulatory framework that is responsive to technological change, grounded in evidence and capable of supporting long-term system resilience. Their progression will depend on the availability of appropriate technical and analytical resources, as well as the sequencing of related regulatory work.

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ELECTRONIC COMMUNICATIONS

Bermuda's electronic communications sector continues to develop within an increasingly complex technological and commercial environment. Established networks and services remain essential to everyday life and economic activity, while emerging technologies, changing consumer expectations, and evolving investment patterns continue to shape the sector. The RA's role is to maintain effective oversight of this environment, support well-functioning markets and ensure that regulatory arrangements remain appropriate as the sector matures.

The forthcoming year will focus on progressing existing regulatory decisions, strengthening market monitoring and addressing the policy and technical issues associated with new services and infrastructure. This work builds on substantial investment in market analysis and review, recognising that a regulatory determination is not necessarily the end of a project. Implementation, compliance monitoring, legal proceedings and the assessment of market outcomes may continue well beyond the initial review period.

MARKET OVERSIGHT AND REMEDIES

Effective market oversight extends beyond the completion of a review. The continued implementation and monitoring of market remedies, retail and wholesale benchmarking, and the Annual Market Analysis programme will support the RA's assessment of market conditions and the effectiveness of regulatory interventions.

The pace of implementation will remain subject to the status of litigation and the availability of relevant information from sector participants. Ongoing monitoring is necessary to determine

whether regulatory measures are operating as intended and whether further action may be warranted as market conditions evolve. This work supports informed decision-making and helps maintain a regulatory framework that is responsive to market realities.

COMPLETION AND IMPLEMENTATION OF CURRENT REFORMS

The coming year will also advance outstanding work arising from sectoral reviews and existing regulatory reforms. This includes relevant work on spectrum allocation, copper retirement and Consumer Protection Principles, together with implementation and compliance monitoring where required.

The focus is on translating regulatory decisions into practical outcomes. Clarifying expectations, assessing compliance and considering the implications of sector developments for existing regulatory arrangements are all necessary to give effect to reforms already undertaken. Continued progress in these areas supports consistency and provides greater certainty for providers and the public.

SPECTRUM POLICY AND TECHNICAL OVERSIGHT

As communications technologies evolve, effective spectrum management becomes increasingly important. Further development of a broader spectrum policy, including consideration of high-demand frequency bands and readiness for newer, rapidly evolving technologies, will remain a priority. This work includes spectrum licence auditing, technical oversight and the continued maintenance of specialist equipment and expertise.

ELECTRONIC COMMUNICATIONS

Spectrum is a finite resource with important implications for connectivity, innovation and national infrastructure. Its effective management requires technical knowledge, clear licensing arrangements, and the capacity to respond quickly to interference and changing demand. Maintaining this capability is both an operational requirement and a long-term investment in the RA's ability to oversee a sector where technological developments can rapidly reshape the regulatory landscape.

RADIOFREQUENCY STUDY

A radiofrequency study will provide an important evidence base for future spectrum planning and technical oversight. The forthcoming year will focus on progressing procurement and delivery, drawing on previously approved project funding and reflecting the scope of work completed during the current year.

A more comprehensive understanding of spectrum use, technical conditions and potential interference issues will help identify where further technical or regulatory action may be required. The study will complement the RA's ongoing oversight responsibilities and support evidence-based decisions in an environment where technological developments can outpace traditional planning cycles.

LOW EARTH ORBIT SATELLITE AND DIRECT-TO-DEVICE SERVICES

New satellite technologies are changing how connectivity is delivered, with potential implications for the relationship between satellite and terrestrial networks, licensing requirements, and the competitive environment. During the fiscal year, the RA will advance its consideration of Low Earth Orbit (LEO) satellite services and direct-to-device connectivity to determine how these developments should be addressed within Bermuda's regulatory framework.

This work will examine the appropriate regulatory treatment of these services, including their implications for market structure, residential interests, compliance and economic feasibility. The RA will also consider the Government's initiatives related to Earth stations, to support

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Spectrum is a finite resource with important implications for connectivity, innovation and national infrastructure.

ELECTRONIC COMMUNICATIONS

alignment with the broader development of Bermuda's digital connectivity infrastructure.

TYPE APPROVAL AND CLASS LICENSING

Maintaining appropriate Type Approval requirements and effective class licensing arrangements is an important part of supporting reliable communications networks. These frameworks establish standards for equipment and provide a regulatory basis for specified activities and services, helping ensure that new equipment and offerings can enter the market under clear and appropriate requirements.

A review of existing Type Approval requirements, alongside ongoing licensing and compliance oversight, will assess whether current arrangements remain suitable in light of technological developments and sector needs. Keeping these requirements fit for purpose supports network integrity while providing clarity for providers bringing equipment and services to market.

SUBSCRIPTION RADIO AND TELEVISION, AND OVER-THE-TOP SERVICES

Changes in how audiences access and consume content continue to challenge traditional distinctions between communications and broadcasting services. Subscription radio and television services, alongside over-the-top (OTT) offerings, raise questions about how established regulatory categories, licensing requirements and fees should apply to evolving commercial models.

The review of subscription radio and television services will examine the appropriate classification, licensing and fee treatment of these services, including whether existing arrangements remain proportionate and whether opportunities for clarification or liberalisation should be considered. Any proposed changes must take account of the applicable legislative framework and the implications for providers and the wider market.

QUALITY-OF-SERVICE MONITORING

Reliable information on service quality is essential to understanding how communications networks perform and where recurring issues may arise. Advancing quality-of-service monitoring and publication will strengthen the RA's ability to assess network performance and provide the public with a clearer understanding of service delivery.

Progress depends on resolving outstanding vendor and data-use matters associated with the collection and publication of this information. Once these practical and contractual arrangements are established, the resulting data can support more systematic oversight and strengthen the evidence base for regulatory engagement with providers.

ELECTRONIC COMMUNICATIONS OUTAGE REPORTING

Network outages can affect households, businesses and essential services, making consistent information about service disruptions valuable to both regulatory oversight and public understanding. The development of a historical outage summary and

ELECTRONIC COMMUNICATIONS

consideration of proposals for public reporting will help establish a clearer picture of electronic communications reliability across the sector.

This work will examine the information needed to make reporting meaningful while accounting for consistency and engagement with service providers. A structured approach can help identify recurring disruptions, inform the RA's monitoring priorities and provide a more consistent basis for assessing service performance.

LICENSING SYSTEMS AND RECURRING SERVICES

The systems that underpin licensing and recurring regulatory processes are essential to the effective administration of the electronic communications sector. Work will continue to replace or modernise the spectrum and Licence Manager databases, alongside the administration of numbering, number portability and the annual Integrated Communications Operating Licence application process.

Reliable systems and processes support accurate licensing records, the timely administration of regulatory requirements and the operational foundation for effective sector oversight. Maintaining these capabilities is necessary to support the day-to-day application of the regulatory framework as sector demands evolve.

CYBERSECURITY PREPAREDNESS

The growing importance of communications networks to Bermuda's essential services and wider economic activity makes cybersecurity preparedness an increasingly significant consideration for the sector. As the Ministry of National Security progresses work on the Government's developing cybersecurity framework, the RA will continue preparing for the implications for the RA's regulatory functions across its regulated sectors.

The scope and timing of this work will remain responsive to legislative developments and the requirements ultimately established for the sector. Understanding the RA's responsibilities and the resources needed to support implementation will be important as the relevant policy and legislative arrangements become clearer.

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ELECTRONIC COMMUNICATIONS

SUBMARINE COMMUNICATIONS CABLES

The RA's activity in this sector will consist of ongoing licence administration and compliance oversight. Functions in this sector are designed to be largely self-funding through the imposition of consultancy deposits, whereby individual applicants are required to pay the RA the upfront costs of considering their application. Following Google's recent announcement of the Canoa Submarine Communications Cable, the RA anticipates work during 2027/28 in connection with possible applications for a Protection Zone Installation Permit and a Submarine Cable Licence.

Together, these initiatives reflect a sector moving into a more mature and technically complex phase of development. The programme combines the implementation of existing regulatory decisions with the policy, monitoring and specialist technical work needed to respond to new technologies and changing market conditions. Continued investment in these functions supports effective regulation, reliable digital infrastructure and the certainty required for Bermuda's long-term economic and technological development.



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FUELS

The fuels sector's onboarding remains an important area of regulatory development for Bermuda. Effective oversight requires a clear framework for pricing, licensing, information gathering and compliance, supported by the technical expertise and operational arrangements necessary to administer the sector in practice. The RA is directed towards progressing this framework from development to implementation, while recognising that the work depends on the availability of reliable sector information, appropriate funding arrangements, and the resolution of outstanding policy matters.

PRICING METHODOLOGY

The RA will continue progressing the implementation of the fuels pricing methodology. The methodology provides a basis for assessing fuel prices through a structured regulatory approach that supports fair, cost-reflective pricing and decisions grounded in relevant evidence.

The development of a methodology is an important foundational step, but implementation also requires reliable cost information. The RA will continue to address these matters with the appropriate Government counterparts so that the methodology can be applied consistently and in accordance with the applicable legislative framework.

COST-OF-SERVICE STUDY (COSS)

The COSS will provide the analytical foundation needed to assess costs across the fuel supply chain. Through information gathering, cost analysis, and benchmarking, the study aims to improve the RA's understanding of the costs incurred by sector participants and the factors influencing prices.

This work is essential to the practical application of the pricing methodology. Without sufficiently robust cost information, the RA's ability to assess pricing submissions and make well-supported regulatory determinations would be constrained. The study will therefore remain a key priority as the fuels programme advances towards implementation.

LICENSING FRAMEWORK

The RA will progress the development of a comprehensive licensing framework for the fuels sector. This work will establish the arrangements through which relevant participants are licensed and regulated, including applicable compliance expectations, reporting requirements and oversight processes.

A clear licensing framework is necessary to establish consistent regulatory obligations and provide a structured basis for monitoring the sector. It will also support the implementation of the wider regulatory programme by defining the information, processes and responsibilities required for effective oversight.

FUELS

RA OPERATIONAL READINESS

Continued development is needed for the internal systems, processes and expertise required to administer the fuels regulatory framework. This includes consideration of staffing capacity, information management requirements, regulatory procedures, and the knowledge needed to undertake ongoing monitoring and compliance activities.

Building operational readiness is a necessary complement to the development of policy and regulatory documents. Sustainable oversight requires the RA to be equipped not only to establish rules, but also to administer them consistently, assess information and respond to issues as they arise. The pace of this work will remain linked to the sequencing and resourcing of the wider fuels programme.

LEGISLATION AND FEES

Further assessment of the legislative and fee arrangements necessary to support the ongoing regulation of the fuels sector is needed. This includes progressing, with Government, the amendments to the fuels legislation required to support the regulatory framework, and considering the funding requirements associated with the sector's

regulatory obligations. The proposed fuels regulatory fee for 2027/28 is \$0.0141 per litre, applying to all fuels sold. Until the necessary legislative steps are completed, the RA's fuels costs will continue to be met through the financing mechanism authorised by the Minister of Finance.

The objective is to maintain alignment between the statutory framework, the resources required to administer it, and the practical steps needed to progress onboarding. Clear arrangements in these areas are important to the long-term sustainability of the programme and to ensuring that regulatory responsibilities can be discharged on a sound operational and financial basis.

Fuels remains an evolving body of work. Its progression will depend on coordinated action across the relevant regulatory, legislative, financial and technical areas. Continued development of these components will support a more structured approach to fuel pricing and oversight, while establishing the foundations for sustainable regulation over the longer term.

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HR & PEOPLE

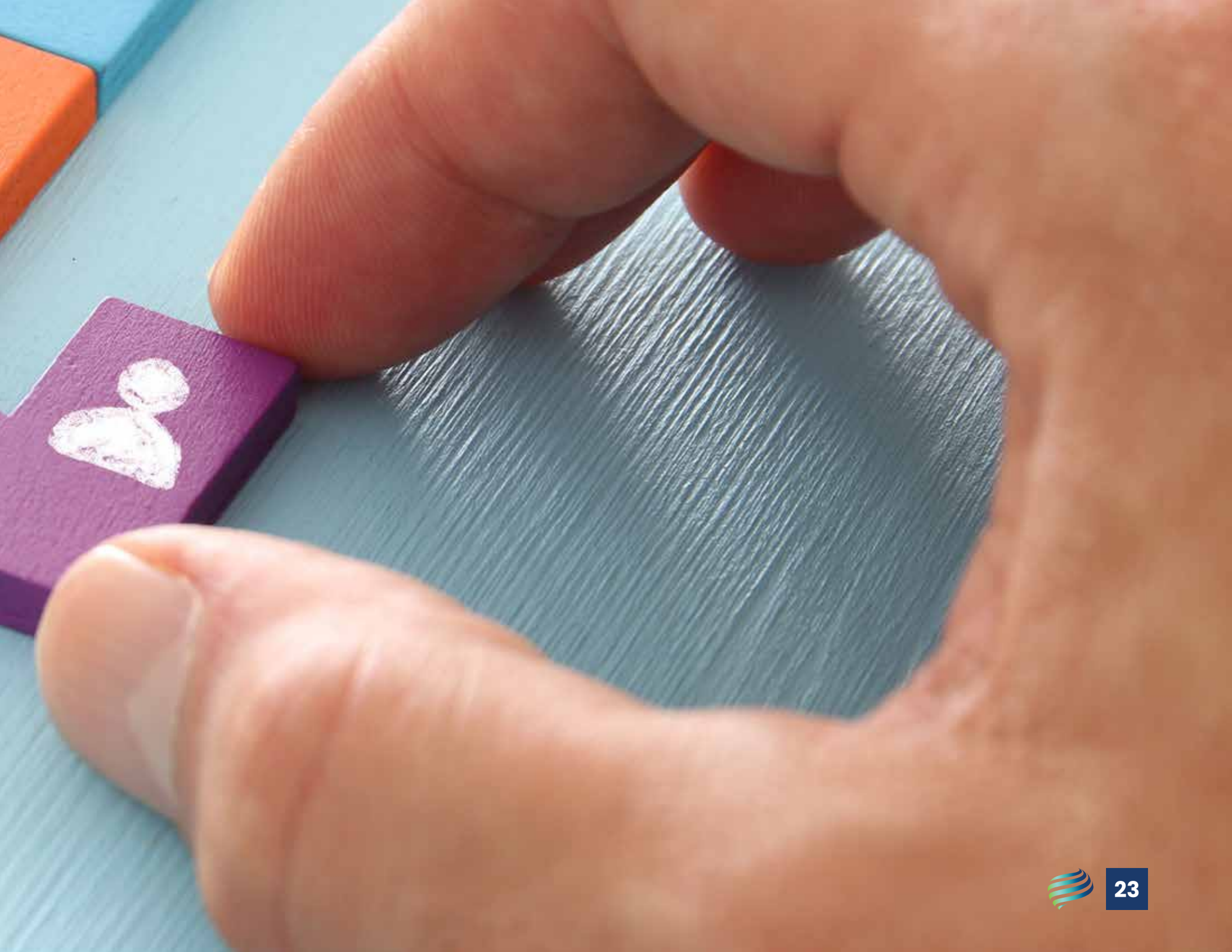
The RA's ability to deliver effective regulation depends on the knowledge, judgement and capability of its people. As regulatory responsibilities become more complex, the organisation must maintain a workforce equipped to undertake detailed technical analysis, manage statutory processes, engage with stakeholders and make decisions that are defensible and grounded in evidence.

The 2027/28 year will continue to focus on strengthening the RA's internal capability through targeted professional development, effective workforce planning and the improvement of operational processes. This includes building and retaining specialist knowledge, supporting succession and continuity, strengthening the RA's legal and enforcement function and ensuring that resources are deployed in a manner that reflects the organisation's priorities and statutory obligations.

Investment in people is also an investment in Bermuda's wider economy. A stronger internal skills base creates opportunities for Bermudians to develop careers in regulatory, technical, analytical and various other professional disciplines. It supports knowledge transfer, strengthens institutional continuity and reduces the extent to which essential expertise must be sourced externally for recurring activities. Where appropriate, developing internal capability can also improve the RA's ability to plan work over the longer term and manage expenditure more strategically.

The RA will further consider how recruitment, training and organisational development can be aligned with its evolving operating requirements. This approach recognises that capacity building must be deliberate and financially responsible. It requires a balance between maintaining sufficient expertise to meet statutory obligations and ensuring that staffing and development decisions remain proportionate to the RA's mandates.

The emphasis for 2027/28 is on strengthening the organisation's ability to deliver consistently, retain knowledge through talent retention and respond to emerging requirements. By investing in the people and processes that underpin regulation, the RA will support more resilient operations and a stronger foundation for future regulatory development. It will also build on the RA's international regulatory cooperation with peer regulators and regional and international networks.



COMMUNICATION & STRATEGIC DEVELOPMENT

Effective communication is an integral part of the RA's regulatory responsibilities. Regulatory decisions can influence electricity rates, communications services, fuel pricing, infrastructure investment and the operation of essential markets. Their value depends not only on the quality of the underlying analysis, but also on whether affected parties understand the decisions, the reasoning behind them and the implications for their rights and responsibilities.

The RA's communication is therefore designed to support regulatory delivery, rather than operate as a standalone promotional function. It provides the structure through which the RA explains complex technical matters, communicates consultations and determinations, raises awareness of relevant rights and obligations, and maintains engagement with the community, industry and Government. In a multi-sector regulatory environment, this work requires planned, consistent communication supported by appropriate digital platforms, content development and stakeholder engagement resources.

During 2027/28, the RA will continue strengthening its approach to public awareness and stakeholder engagement. This includes improving the accessibility of regulatory information, supporting sector-specific projects and ensuring that communications are integrated into the planning and delivery of regulatory initiatives. Effective engagement requires more than publishing information after a decision has been made. It involves identifying

relevant audiences, presenting technical information in an accessible manner and providing appropriate opportunities for feedback throughout the regulatory process.

A key component of this will remain public awareness of the RA's role in helping residents navigate regulatory issues, including how and where to raise inquiries concerning electricity, fuels and electronic communications services. The RA will continue to communicate the process, explain the respective responsibilities of service providers and the regulator, and help the public understand the steps available when concerns arise. This work will be supported by accessible information across the RA's communication channels and by public awareness campaigns that translate regulatory activity into practical information for residents. Building on previous consumer savings communications, the RA will also continue explaining the outcomes of its regulatory work and the potential benefits for the public, helping to connect technical decisions with their wider implications across the sectors it regulates.

The proposed RA conference will provide a further opportunity to bring stakeholders, including the general public, together in a structured setting. By convening community representatives, industry participants, regulators and subject-matter experts, the event can support informed discussion on shared regulatory challenges, encourage knowledge exchange and strengthen Bermuda's visibility within the regional and

COMMUNICATION & STRATEGIC DEVELOPMENT

international community. Its value lies in creating a common forum for discussion across sectors and perspectives, complementing the RA's ongoing consultation, public awareness and engagement activities.

The communications budget will support these objectives through the maintenance of digital and traditional channels, the production and distribution of regulatory information, public awareness initiatives, stakeholder engagement and the communication requirements associated with the RA's work. This includes communications that support the public's understanding of regulatory decisions, available inquiry and complaints pathways and the outcomes of work undertaken across the RA's sectors. Expenditure must be aligned with defined regulatory outcomes and assessed for its contribution to public understanding, effective consultation, and the delivery of the RA's mandate.

As the RA's responsibilities evolve, the need for clear and accessible communication remains central to effective regulation. A structured

communications function supports informed participation, strengthens understanding of regulatory decisions and helps ensure that the RA's work is visible, accessible and accountable to the people and sectors it serves.

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As the RA's responsibilities evolve, the need for clear and accessible communication remains central to effective regulation.

FINANCE & OPERATIONS

Sound financial management and effective operational processes are fundamental to the RA's ability to discharge its responsibilities as a publicly funded independent regulator. The organisation must maintain appropriate financial controls, reliable reporting and clear accountability for expenditure, while ensuring that resources are directed towards statutory obligations and approved priorities.

During the 2027/28 period, Finance and Operations will continue to strengthen financial governance, improve processes, and support more consistent planning across the organisation. This includes maintaining oversight of budget performance, further improving the quality and timeliness of financial information, and supporting the alignment of expenditure with approved work. These activities are particularly important in a regulatory environment where project costs may span multiple years and where external legal, technical and consultancy requirements can affect the timing and level of expenditure.

A key priority is progressing the RA's audit(s) and bringing its financial reporting and audit cycle up to date. The move towards the already approved private-sector audit arrangements is intended to support a timelier and more structured approach to audit delivery, subject to the relevant procurement, governance and statutory requirements. A current audit position strengthens accountability, provides assurance over financial reporting and supports the Board and management in exercising effective oversight.

The department will also continue to review operational procedures and financial processes to improve consistency, identify efficiencies, and strengthen internal controls. This work supports better decision-making by ensuring that the RA has reliable information about its financial position and the resources required to fulfil its responsibilities.

Financial stewardship is not limited to reducing expenditure. It requires the RA to understand the cost of its regulatory obligations, allocate costs appropriately across sectors, manage financial risks and maintain sufficient flexibility to respond to legitimate operational needs. The objective is to support a financially disciplined organisation whose resources are managed responsibly and whose expenditure is clearly linked to its mandate and planned outcomes.

Through these measures, Finance and Operations will continue to support the RA's long-term sustainability, strengthen governance, and improve the quality of information available to those responsible for financial and operational decisions.

PROPOSED BUDGET & FEES

The 2027/28 Work Plan and Budget reflect the resources required to support the RA's statutory responsibilities across electronic communications, electricity, fuels and submarine communications cables. The proposed budget has been developed with consideration for the planned regulatory year, the operational requirements of each sector and the need to maintain appropriate financial discipline while responding to evolving regulatory demands.

As an independent regulator, the RA is funded primarily through sectoral fees and operates within the applicable statutory and financial approval framework. The setting of fees must therefore reflect the costs associated with regulatory activities, while maintaining an appropriate relationship between expenditure, sector-specific obligations and the principles underpinning the RA's funding arrangements.

The budget takes account of the different stages of development across the regulated sectors. Some activities involve recurring operational responsibilities, while others require significant technical analysis, external expertise or multi-year implementation. In the fuels sector, the progression of onboarding activities and the development of the necessary regulatory framework remain important considerations in determining the resources required. Across all sectors, the RA must also maintain the capacity to meet statutory obligations, respond to emerging issues and support the implementation of regulatory decisions.

The proposed rates for 2027/28 are: electronic communications, unchanged at 1.65% of relevant turnover; electricity, \$0.00723 per kWh (from \$0.00556); and fuels, \$0.0141 per litre. The proposed fee arrangements will be presented alongside the budget, with the relevant revenue and expenditure assumptions set out in the accompanying financial schedules. These arrangements are intended to support the delivery of the proposed Work Plan while maintaining appropriate cost allocation and avoiding cross-subsidisation between regulated sectors.

The RA will continue to review its financial and operational requirements as sector conditions evolve. This includes consideration of the longer-term alignment between regulatory responsibilities, staffing capacity, external consultancy requirements and sectoral funding. A comprehensive assessment of the fee framework will remain important to ensuring that the RA's funding arrangements reflect the regulatory environment in which it operates and support sustainable delivery over time.

The proposed budget should therefore be considered in the context of both the immediate work and the longer-term capability required to maintain effective regulation. Appropriate resourcing supports the RA's ability to undertake its statutory functions, provide sound regulatory oversight and contribute to the stability and development of Bermuda's essential markets.



2027-28 PROJECTED EXPENDITURES

EXPENSE	TOTAL 2026-27 (PENDING APPROVED)	TOTAL 2027-28 (FULL PROPOSAL)	DIFFERENCE TO 2026-27 \$	DIFFERENCE TO 2026-27 %	COMMENTS
RA Fees	6,392,000	8,736,731	2,344,731	37%	Reflects the proposed adjustment to the Electricity regulatory fee and the introduction of Fuels regulatory revenue, subject to the necessary legislative provisions coming into effect. The Electronic Communications fee rate remains unchanged.
Employee expenses					
Employee salaries	3,108,000	3,345,000	237,000	8%	Supports additional regulatory capacity and the retention of specialist expertise required to deliver the RA's expanding work programme and statutory responsibilities
Employee benefits	1,021,000	1,226,000	205,000	20%	Reflects the associated cost of workforce resourcing and adjustments to employee benefit provisions to support recruitment, retention and organisational sustainability
Employer payroll tax	359,000	379,000	20,000	6%	Reflects the payroll tax obligations associated with the proposed staffing and remuneration provisions
Staff training and related expenses	253,000	287,500	34,500	14%	Supports targeted professional development, technical training and skills development to strengthen internal regulatory expertise and reduce longer-term reliance on external resources.
Subtotal	4,741,000	5,237,500	496,500	10%	
Commissioners' expenses					
Commissioner's Honoraria	396,000	396,000	-	0%	
Payroll tax (Commissioners' and RA portion)	55,000	52,000	(3,000)	(5%)	
Commissioner's Training	-	50,000	50,000	-	Provides for specialised regulatory training to strengthen governance, regulatory decision-making and oversight across the RA's regulated sectors.
Subtotal	451,000	498,000	47,000	10%	
Other expenses					
Consulting Services	1,481,840	1,411,213	(70,627)	(5%)	Reflects the planned allocation of specialist advisory resources across the regulatory work programme, with expenditure prioritised according to statutory requirements and project delivery needs.

2027-28 PROJECTED EXPENDITURES

EXPENSE	TOTAL 2026-27 (PENDING APPROVED)	TOTAL 2027-28 (FULL PROPOSAL)	DIFFERENCE TO 2026-27 \$	DIFFERENCE TO 2026-27 %	COMMENTS
Office Space	421,911	446,638	24,727	6%	Reflects adjustments to premises and associated service costs necessary to maintain the RA's operating facilities.
Office Services	332,434	522,434	190,000	57%	Primarily reflects increased audit provisions to support the completion of outstanding financial statement audits and the transition towards a more timely audit and reporting cycle.
Provision for Mediation & Litigation	240,000	240,000	-	0%	
Subscriptions	65,000	65,000	-	0%	
Communications	55,165	181,909	126,744	230%	Supports expanded public engagement, regulatory awareness initiatives and communications associated with sector consultations, regulatory decisions and planned stakeholder activities, including the RA Summit
Meetings & Conferences	10,000	15,000	5,000	50%	Supports participation in relevant regulatory and industry engagements to strengthen technical knowledge, collaboration and awareness of emerging sector developments.
Subtotal	2,606,350	2,882,194	275,843	11%	
TOTAL EXPENSES	7,798,350	8,617,694	819,343	11%	
Furniture & Fittings	5,000	5,000	-	0%	
Office Equipment	10,000	24,652	14,652	147%	Provides for the planned replacement of office equipment to maintain reliable and efficient administrative operations.
Computers and Software	55,000	55,000	-	0%	
Leasehold Improvements	5,000	5,000	-	0%	
TOTAL CAPITAL EXPENDITURE	75,000	89,652	14,652	20%	
TOTAL EXPENDITURE	7,873,350	8,707,346	833,995	11%	



COMPARATIVE ANALYSIS OF SEMI-APPROVED FY2026/27 BUDGET AND FY2027/28 PROPOSAL

ELECTRONIC COMMUNICATIONS

EXPENSE	ELECTRONIC COMMUNICATIONS FY2027/28	ELECTRONIC COMMUNICATIONS 2026/27	INCREASE / (DECREASE) \$	CHANGE %
RA Fees	3,330,000	3,370,000	(40,000)	(1%)
Employee expenses				
Employee salaries	1,560,000	1,402,000	158,000	11%
Employee benefits	572,000	461,000	111,000	24%
Employer payroll tax	177,000	162,000	15,000	9%
Staff training and related expenses	114,000	100,200	13,800	14%
Subtotal	2,423,000	2,125,200	297,800	14%
Commissioners' expenses				
Commissioner's Honoraria	158,400	158,400	-	0%
Payroll tax (Commissioners' and RA portion)	21,000	22,000	(1,000)	(5%)
Commissioner's Training	20,000	-	20,000	-
Subtotal	199,400	180,400	19,000	11%
Other expenses				
Consulting Services	104,000	243,000	(139,000)	(57%)
Office Space	178,655	168,765	9,891	6%
Office Services	222,994	139,994	83,000	59%
Provision for Mediation & Litigation	50,000	50,000	-	0%
Subscriptions	26,000	26,000	-	0%

ELECTRONIC COMMUNICATIONS SECTOR

The RA's proposed expenditure for the Electronic Communications (EC) sector in FY2027/28 is \$3,300,899, compared with \$2,982,053 in FY2026/27, representing an increase of \$318,847 (11%). Forecast revenue is \$3,330,000, compared with \$3,370,000 in the prior year. The EC regulatory fee remains unchanged at 1.65% of relevant turnover. The proposed expenditure supports continued market oversight, implementation of regulatory reforms, spectrum management and the assessment of emerging communications technologies, while strengthening the RA's internal regulatory capacity.

SUBMARINE COMMUNICATIONS CABLES SECTOR

The RA's activity in this sector will consist of ongoing licence administration and compliance oversight. Functions in this sector are designed to be largely self-funding through the imposition of consultancy deposits, whereby individual applicants are required to pay the RA the upfront costs of considering their application. Following Google's recent announcement of the Canoa Submarine Communications Cable, the RA anticipates work during 2027/28 in connection with possible applications for a Protection Zone Installation Permit and a Submarine Cable Licence.

COMPARATIVE ANALYSIS OF SEMI-APPROVED FY2026/27 BUDGET AND FY2027/28 PROPOSAL

ELECTRONIC COMMUNICATIONS

EXPENSE	ELECTRONIC COMMUNICATIONS FY2027/28	ELECTRONIC COMMUNICATIONS 2026/27	INCREASE / (DECREASE) \$	CHANGE %
Communications	54,989	14,694	40,295	274%
Meetings & Conferences	6,000	4,000	2,000	50%
Subtotal	642,639	646,453	(3,814)	(1%)
TOTAL EXPENSES	3,265,039	2,952,053	312,986	11%
Furniture & Fittings	2,000	2,000	-	0%
Office Equipment	9,861	4,000	5,861	147%
Computers and Software	22,000	22,000	-	0%
Leasehold Improvements	2,000	2,000	-	0%
TOTAL CAPITAL EXPENDITURE	35,861	30,000	5,861	20%

TOTAL EXPENDITURE	3,300,899	2,982,053	318,847	11%
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COMPARATIVE ANALYSIS OF SEMI-APPROVED FY2026/27 BUDGET AND FY2027/28 PROPOSAL

ELECTRICITY

EXPENSE	ELECTRICITY FY2027/28	ELECTRICITY 2026/27	INCREASE / (DECREASE) \$	CHANGE %
RA Fees	3,901,000	3,022,000	879,000	29%
Employee expenses				
Employee salaries	1,256,000	1,106,000	150,000	14%
Employee benefits	460,000	363,000	97,000	27%
Employer payroll tax	142,000	128,000	14,000	11%
Staff training and related expenses	114,000	100,200	13,800	14%
Subtotal	1,972,000	1,697,200	274,800	16%
Commissioners' expenses				
Commissioners' Honoraria	158,400	158,400	-	0%
Payroll tax (Commissioners' and RA portion)	21,000	22,000	(1,000)	(5%)
Commissioner's Training	20,000	-	20,000	-
Subtotal	199,400	180,400	19,000	11%
Other expenses				
Consulting Services	1,163,213	723,840	439,373	61%
Office Space	178,655	168,765	9,891	6%
Office Services	214,626	131,626	83,000	63%
Provision for Mediation & Litigation	40,000	40,000	-	0%

ELECTRICITY SECTOR

The RA's proposed expenditure for the Electricity sector in FY2027/28 is \$3,900,715, compared with \$3,019,496 in FY2026/27, representing an increase of \$881,219 (29%). Forecast revenue is \$3,901,000, compared with \$3,022,000 in the prior year, reflecting the proposed adjustment to the Electricity regulatory fee. The additional funding will support the delivery of key regulatory initiatives, including the 2028–2030 Retail Tariff Review, Integrated Resource Planning, the Electricity Sectoral Review and renewable energy initiatives. These activities are intended to strengthen regulatory oversight, support reliable and cost-effective electricity services and facilitate Bermuda's longer-term energy transition.

COMPARATIVE ANALYSIS OF SEMI-APPROVED FY2026/27 BUDGET AND FY2027/28 PROPOSAL

ELECTRICITY

EXPENSE	ELECTRICITY FY2027/28	ELECTRICITY 2026/27	INCREASE / (DECREASE) \$	CHANGE %
Subscriptions	26,000	26,000	-	0%
Communications	64,960	17,665	47,295	268%
Meetings & Conferences	6,000	4,000	2,000	50%
Subtotal	1,693,454	1,111,896	581,559	52%
TOTAL EXPENSES	3,864,854	2,989,496	875,359	29%
Furniture & Fittings	2,000	2,000	-	0%
Office Equipment	9,861	4,000	5,861	147%
Computers and Software	22,000	22,000	-	0%
Leasehold Improvements	2,000	2,000	-	0%
TOTAL CAPITAL EXPENDITURE	35,861	30,000	5,861	20%

TOTAL EXPENDITURE	3,900,715	3,019,496	881,219	29%
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COMPARATIVE ANALYSIS OF SEMI-APPROVED FY2026/27 BUDGET AND FY2027/28 PROPOSAL

FUEL

EXPENSE	FUEL FY2027/28	FUEL 2026/27	INCREASE / (DECREASE) \$	CHANGE %
RA Fees	1,505,731	-	1,505,731	-
Employee expenses				
Employee salaries	529,000	600,000	(71,000)	(12%)
Employee benefits	194,000	197,000	(3,000)	(2%)
Employer payroll tax	60,000	69,000	(9,000)	(13%)
Staff training and related expenses	59,500	52,600	6,900	13%
Subtotal	842,500	918,600	(76,100)	(8%)
Commissioners' expenses				
Commissioners' Honoraria	79,200	79,200	-	0%
Payroll tax (Commissioners' and RA portion)	10,000	11,000	(1,000)	(9%)
Commissioner's Training	10,000	-	10,000	-
Subtotal	99,200	90,200	9,000	10%
Other expenses				
Consulting Services	144,000	515,000	(371,000)	(72%)
Office Space	89,328	84,382	4,945	6%
Office Services	84,813	60,813	24,000	39%
Provision for Mediation & Litigation	150,000	150,000	-	0%

FUEL SECTOR

The RA's proposed expenditure for the Fuel sector in FY2027/28 is \$1,505,731, compared with \$1,871,802 in FY2026/27, representing a decrease of \$366,071 (20%). Forecast revenue of approximately \$1,505,731 has been incorporated for FY2027/28, compared with no sector-generated revenue in the prior year, based on the proposed introduction of the Fuel regulatory fee. Revenue collection remains contingent upon Government progressing the necessary legislative provisions and bringing the relevant sections of the Fuel Act into effect. The proposed expenditure will support continued development and implementation of the regulatory framework, including the fuel pricing methodology, COSS, licensing arrangements and associated regulatory oversight. Until the sector becomes operationally self-funding, appropriate Government funding arrangements will remain necessary.

COMPARATIVE ANALYSIS OF SEMI-APPROVED FY2026/27 BUDGET AND FY2027/28 PROPOSAL

FUEL

EXPENSE	FUEL FY2027/28	FUEL 2026/27	INCREASE / (DECREASE) \$	CHANGE %
Subscriptions	13,000	13,000	-	0%
Communications	61,960	22,806	39,154	172%
Meetings & Conferences	3,000	2,000	1,000	50%
Subtotal	546,101	848,002	(301,901)	(36%)
TOTAL EXPENSES	1,487,801	1,856,802	(369,001)	(20%)
Furniture & Fittings	1,000	1,000	-	0%
Office Equipment	4,930	2,000	2,930	147%
Computers and Software	11,000	11,000	-	0%
Leasehold Improvements	1,000	1,000	-	0%
TOTAL CAPITAL EXPENDITURE	17,930	15,000	2,930	20%

TOTAL EXPENDITURE	1,505,731	1,871,802	(366,071)	(20%)
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The background of the slide features a scenic view of a coastal resort. In the foreground, there is a red-painted archway with white trim and a circular window above it. To the left of the archway is a large, ornate stone urn. Beyond the archway, a paved path leads towards a beach area with several white patio umbrellas and lounge chairs. The ocean is a vibrant turquoise color, stretching to the horizon under a clear blue sky.

CONCLUSION

The 2027/28 Work Plan and Budget sets out a financial year focused on strengthening the RA's regulatory capability, progressing key sectoral initiatives and maintaining the operational foundations required to deliver its statutory mandate. Across electricity, electronic communications, fuels, and submarine communications cables, the work reflects the changing demands of Bermuda's regulatory environment and the importance of evidence-based decisions that balance residential interests with investment, reliability, and economic development.

The RA's experience over recent years has demonstrated the importance of prioritisation, sound financial management and a realistic approach to delivery. It has also demonstrated the organisation's continued commitment to fulfilling its statutory responsibilities despite constraints on the timing and availability of resources. The year ahead provides an opportunity to build on that experience, strengthen internal capability and progress the work necessary to support Bermuda's long-term interests.

The proposed budget is an essential part of that process. It provides the foundation for delivering on planned projects, maintaining appropriate regulatory oversight and ensuring that the RA remains equipped to respond to forthcoming requirements. Through continued investment in the organisational team, systems and regulatory work, the RA will seek to strengthen its effectiveness, accountability and contribution to Bermuda's economic and infrastructural resilience.

